

Downtown Center Business Improvement District

BOARD OF DIRECTOR'S MEETING

MINUTES

September 5, 2007

Board of Directors

Barbara Bundy, Marc Loge, Peklar Pilavjian, John Goldrick, Marc Loge, Carol Schatz, Patrick Spillane, Jeffrey Griswold, Robert Cushman, A. Bingham Cherrie, Kent Handleman, Sandy Nam, Robert Hanasab, Steve Provencio, and Anne Peaks

Absent

Harry Richter, Peter Zen, Steve Hathaway, Robert Bellack, John Curthoys, Frank Frallicciardi, David Damus, Sonny Astani, and Colin Shepherd.

Staff

Hong Zhao, Jon Niuro, Ken Nakano, Hal Bastian, Robert Ortiz, Heidi Nixon, and Leticia Orozco.

CALL TO ORDER

Bundy called the meeting to order with a quorum at 8:09 a.m.

NEW BOARD MEMBER

Schatz welcomed and introduced Robert Cushman of Brookfield Properties to the DCBID Board. Mr. Cushman replaced Patrick Lacey, and Ms. Schatz expressed pleasure in announcing his candidacy for Board membership.

Mr. Cushman is the General Manager for Brookfield Properties and manages Bank of America Plaza. He has over seventeen years of experience, having previously managed properties in Century City, El Segundo, and Downtown Los Angeles. Prior to Brookfield Properties, Mr. Cushman was a Manager at Kilroy Realty.

Pilavjian proposed a motion to approve as a great addition to the Board. The Board unanimously consented to Mr. Cushman's Board membership.

PRESIDENT'S REPORT

Schatz reported the following:

Downtown Dog Day was successful event and suggested that it be a yearly event.

The third BID Academy class, hosted by Brookfield Properties, will begin on September 4, 2007 and September 15, 2007.

Schatz reminded board members that the 2008 budget will be presented for review and approval. While a tentative budget has been completed, the budget is open to suggestions and revisions.

Quality of life issues, particularly issues of homelessness and crime remained an issue in Downtown LA.

COMMITTEE REPORTS

FINANCE

Jon Niiro the July 31, 2007 Financials (YTD):

Net Revenue:	\$2.14 million
Total Revenue:	\$4.67 million
Total Expenses:	\$2.52 million
Public Safety:	\$904,770
Maintenance:	\$543,789

Niirro reported approximately \$2.7 million in cash and projected a residual of \$100,000 in addition to the \$500,000 in reserves.

Cherrie proposed a motion to approve July 2007 financials as reported and Pilavjian seconded. The Board unanimously approved.

MARKETING

Schatz announced the internal promotion of Heidi Nixon to Director of Marketing.

Nixon reported:

Grand Performances Walk-In Movie Series, a free event, attracted approximately 1800 attendees to the venue. The goal of the event is to attract local residents, thereby increasing the attractiveness of Downtown LA as a place to live, work, and play.

DCBID will contribute \$15,000 to the Grand Avenue festival, to be held on September 30, 2007. The money will be used for maintenance and safety purposes. Also, DCBID will provide insurance for the event. The event is expected to attract upwards of 20,000 attendees.

The Giant Village will take place on September 29, 2007 on Francisco Street between 8th and 9th Streets. The event is expected to attract 18,000 participants. In preparation of the impact of back-to-back events, area agencies and residents have been notified.

On October 26, 2007, DCBID will host the 8th Annual Public Safety Barbecue. The proceeds will go to the LAPD Memorial Fund. The proceeds of last year's fundraiser (\$12,000) were donated to the Sheriff's Department. DCBID will send out notices asking for \$500 sponsorship pledges.

The Jules Verne Adventure Film Festival will be held from December 6 thru December 16, 2007. Schatz interjected to set unequivocal expectations due to the absence of a major corporate sponsor. If a major sponsor is not secured, the event will continue but on a much smaller scale. The hope remains that a sponsor will step in to support this event.

OPERATIONS

Nakano reported the following:

Quality of life issues, particularly vandalism, graffiti, and gang activity, remain an issue in Downtown LA and have seen a surge with the warm weather. City efforts in the Skid Row area have had a spillover effect in Downtown LA. The operations department has been vigilant in its efforts and is working closely with the LAPD and LA Sheriffs to curb the issues. The expectation is that as the weather cools off there will be a reduction in these issues.

Schatz had lunch with Captain Jodi Wakefield, LAPD, and gained her reassurance that LAPD would increase the presence of uniformed officers to deter the aforementioned problems. Nakano reports that there has been an increase in both foot and vehicle patrol by LAPD.

Board members, Hanasab, Peaks, Pilavjian, and Schatz, among others voiced concerns that such issues have on local businesses and residents.

Peaks opines that gang activity, and the associated criminal activity, remains an issue for Downtown LA.

Hanasab pointed out that the parks are a source of concern in terms of safety and criminal activity. Also, bus shelters have acted to shield criminal activity from detection. Nakano is working with Transit Services to improve the problem. Schatz pointed out that Viacom, in an agreement with the city, is responsible for the construction of the shelters and might have responsibility in their maintenance and safety. Schatz suggested that the Legislative Affairs department research the particulars of Viacom's agreement with the city. After said review, Schatz also suggested that DCBID initiate dialogue with Viacom to voice concerns over the bus shelters on their impact on Downtown LA. If talks were not productive, perhaps DCBID would voice its concern to the City Council.

Nakano reports that gang activity is a problem on 18th Street and Hill Street and is moving toward Pershing Square. Peaks: Gangs have become more sophisticated and inconspicuous, often using the normal activity of Downtown LA as a safeguard; homelessness on Grand and 7th Street are a problem.

Nakano reminded Board members that despite the recent up-tick in quality of life issues, Central Los Angeles has seen a 31% decrease in crime and remains one of the safest parts of Los Angeles. Bundy suggests a concerted public relations effort to remind residents of Downtown LA and surrounding areas that, despite common misperceptions, Downtown LA is among the safest districts in Los Angeles County.

ECONOMIC DEVELOPMENT

Bastian reported the following:

Bastian brought forward the following Action Item: updating the promotional video presentation used to attract business to Downtown LA and proposed using Nelson and Sixta, the producers of the original presentation, to complete an updated version. A rough copy should be available by early November 2007 and the final project would, ideally, be completed by November 19, 2007. The projected cost of the project is \$48,700. No additional funds are required, because the funding of the project, while not explicitly stated, was already included in the 2007 budget.

The Board unanimously approved the completion of the promotional video project.

Ralphs opened on July 20, 2007 and over 1,000 people attended. Ralphs business remains brisk, tripling original sales estimates. The opening was the most successful in the history of any Ralphs stores.

Downtown Dog Day Afternoon was a success. Over 200 dogs and their owners participated.

The Downtown LA Center of it All brochure will be revised by year's end.

Schatz asked Board members for thoughts on the usefulness of additional trips to New York to secure investment in Downtown LA. Schatz was interested in whether or not fresh ideas on the vibrancy of Downtown LA could be presented that would not be otherwise readily available in mainstream media publications such as *The New York Times*. Thus far, Schatz and Bastian have taken three trips to New York City. Schatz also asked Board members if a trip to Chicago, with the Tribune Company offering support, might prove more beneficial.

Until recently every Conditional Use Permit that DCBID has testified on behalf of has been approved with the exception of the last request on Main Street. The zoning administrator denied every liquor license that was requested on the basis that it would put recovering alcoholics at risk; he was not doubtful that improvements could be seen in the area, but felt that such improvements would put pressure on the affordable housing residents of the area. Schatz:

Bastian and Schatz gave a tour to the Los Angeles Business Journal in July 2007. A special section on Real Estate will appear in the publication once a month.

On November 29, 2007, in collaboration with Ron Maben of the Mayor's office, will conduct tours of Downtown LA. In past years, only bankers were in attendance, but last year, there were also commercial real estate developers, retailers, restaurateurs, and nightclub operators taking part.

With Niiró's help, Bastian is attempting to coordinate the opening of an animal hospital in Downtown LA. The facility would be a benefit for not only residents, but also to commuters to Downtown LA.

Residential Real Estate in Downtown LA remains strong in Downtown LA. Despite broad market trends of declining real estate values, Downtown LA real estate remains flat and has seen no decline.

On September 25, 2007 DCBID will participate in a pitch meeting to play a role in a Downtown information center to inform potential residents about the various neighborhoods in Downtown LA. Of course, DCBID seeks to play a part in its promotion.

Schatz: Downtown mobility is an issue. Improvements to the freeway and arterials are necessary for the successful development of Downtown LA. DCBID is attempting to raise \$500,000 to address the issue. Thus far, \$350,000 has been raised. The money will be used to pay consultant to prepare evaluations, especially of "pinch points." Fixing these problems is relatively quick and inexpensive.

ADJOURNMENT

The next meeting will take place on October 3, 2007 at 7:30 a.m.

The meeting was adjourned at 9:16 a.m.